

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 02-0490P

**Gross Income Tax
For Calendar Year 1999**

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ISSUE(S)

I. Tax Administration – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer protests the proposed penalty assessment for the late payment of its income tax. The due date of the return was April 15, 2000. Taxpayer filed its return late on September 15, 2000 with payment of fifty-six percent (56%) of its tax liability. The Department issued its late payment assessment.

Taxpayer filed a penalty protest letter dated August 20, 2002. Taxpayer requests penalty abatement because it was unaware of the final tax impact until September 2000 at which time it found that the Indiana Gross Receipts doubled. Taxpayer states that the information available to them did not indicate this increase.

I. Tax Administration – Penalty

DISCUSSION

Taxpayer protests the penalty assessed and states that it was not aware of the increase of its gross income until after the due date. It was not apparent that significant tax liabilities would be due for Indiana until it filed its return.

Taxpayer did not make payment by the original due date of the return as required under IC 6-8.1-10-2.1 (a)(2). The penalty is ten percent (10%) of the amount of the tax not paid, if the person fails to pay the full amount of tax shown on the person's return on or before the due date for the

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return or payment.

Taxpayer made payment after the original due date of the return and has not provided reasonable cause to allow the Department to waive the penalty.

FINDING

Taxpayer's protest is denied.

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